



## Recommendation for Action

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**File #:** 19-3484, **Agenda Item #:** 45.

12/5/2019

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### **Posting Language**

Authorize negotiation and execution of a contract with Hyundai Power Transformers USA Inc., to uprate a transformer at the Cardinal Lane substation, in an amount not to exceed \$136,200.

(Note: Sole source contracts are exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established).

### **Lead Department**

Purchasing Office.

### **Client Department(s)**

Austin Energy.

### **Fiscal Note**

Funding is available in the Fiscal Year 2019-2020 Capital Budget Austin Energy.

### **Purchasing Language:**

Sole Source.

### **For More Information:**

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or [AgendaOffice@austintexas.gov](mailto:AgendaOffice@austintexas.gov) <<mailto:AgendaOffice@austintexas.gov>> or to Julia Finn, at 512-322-6060 or [Julia.Finn@austintexas.gov](mailto:Julia.Finn@austintexas.gov) <<mailto:Julia.Finn@austintexas.gov>>.

### **Council Committee, Boards and Commission Action:**

November 18, 2019 - Recommended by the Electric Utility Commission on a 7-0 vote, with Vice Chair Hopkins and Commissioners Funkhouser and Wray absent, and Commissioner Hadden off the dais.

### **Additional Backup Information:**

The contract will provide the materials and services required to uprate a transformer at the Cardinal Lane substation to meet capacity needs for the Department of Veteran's Affairs Information Technology Center. Upgrading improves the power output of a transformer. Austin Energy recommends upgrading the existing transformer in lieu of purchasing and installing a new transformer at an approximate cost savings of \$850,000.

The contractor designed the existing unit and is solely authorized to uprate the transformer.